



File Photo

O'Reilly Auto Parts

\$3,187,000 | 4.50% CAP

12930 S Post Oak Rd., Houston, TX 77096

- ✓ Brand New 15-Year Corporate Guaranteed Net Lease, with Rental Increases in Primary Term and (5) 5-Year Renewal Options.
- ✓ Excellent Metro Location with Superb Traffic Counts - Located less than 0.5 miles off TX-90 (130,000+ VPD), on Post Oak Rd (27,500+ VPD).
- ✓ Direct Residential Consumer Base - Total estimated population within 3-mile radius is 131,293.
- ✓ Recession-Resilient Tenant - Experienced Record 13.3% Same-Store Sales Growth in 2021.
- ✓ Adjacent to Undeveloped 40 Acre Suburban Tract, scheduled for New Mixed-Used Development.

O'Reilly Auto Parts is an American auto parts retailer that provides automotive aftermarket parts, tools, supplies, equipment, and accessories in the United States serving both the professional service providers and do-it-yourself customers.



INVESTMENT OVERVIEW

O'REILLY AUTO PARTS HOUSTON, TX

\$3,187,000

4.50% CAP



File Photo

CONTACT FOR DETAILS

Edward Benton

Executive Vice President
(713) 263-3981

ebenton@securenetlease.com

NOI

\$143,400

Building Area

±7,396 SF

Land Area

±0.84 AC

Year Built

2022

Lease Type

Corporate Net Lease*

Occupancy

100%

- ✓ **Brand New 15-Year Corporate Guaranteed Net Lease**, with Rental Increases in Primary Term and (5) 5-Year Renewal Options.
- ✓ **Excellent Metro Location with Superb Traffic Counts** - Subject property is located less than 0.5 miles off TX-90 (130,000+ VPD), on Post Oak Rd (27,500+ VPD).
- ✓ **Direct Residential Consumer Base** - Total estimated population within a 1-mile, 3-mile, and 5-mile radius from subject property is 13,448, 131,293, and 340,034, respectively.
- ✓ **Adjacent to Rare 40 Acre Suburban Tract Scheduled for Development** - Former Houston Sportsplex sold in Q4 of 2021 and is Zoned for Mixed-Used Development
- ✓ **O'Reilly Auto Parts is a recession-resilient tenant** that experienced record sales growth of 15% in 2021 and has achieved 29 consecutive years of revenue and operating income growth, while also increasing same-store sales 13.3% over the past year.
- ✓ **Investment Grade Tenant** - O'Reilly Auto Parts is Rated BBB+ by S&P, reported \$13.3 Billion in revenue for 2021 and operates over 5,750 locations with 81,000 team members.
- ✓ **Houston is the 4th Fastest Growing MSA in the Nation** - Between 2010 - 2019, Houston saw a 19.4% population increase. Houston's population exceeds 7.15 Million and is the 5th Largest MSA in the Nation.

*LL responsible for roof, structure and parking lot. New roof warranty.

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

SECURE
NET LEASE

TENANT OVERVIEW

O'REILLY AUTO PARTS HOUSTON, TX

O'Reilly Auto Parts

Lessee: O'Reilly Auto Enterprises, LLC

REVENUE
\$13.3 B

CREDIT RATING
BBB+

LOCATIONS
5,750+

STOCK TICKER
ORLY



oreillyauto.com

O'Reilly Auto Parts is an American auto parts retailer that provides automotive aftermarket parts, tools, supplies and more in the United States serving both the professional service providers and do-it-yourself customers.

O'Reilly stores carry an extensive product line consisting of **new and remanufactured automotive hard parts**, maintenance items, accessories, a complete line of auto body paint and more. The first store opened in Springfield, Missouri in 1957 and there are currently **5,759 stores in 47 U.S. states and 25 ORMA stores in Mexico.**

O'Reilly Auto Parts stores offer enhanced services and programs to their customers including but not limited to used oil, oil filter recycling, battery replacement and more. They conduct ongoing initiatives **focused** on marketing and training to educate customers on the advantages of ongoing vehicle maintenance. O'Reilly has achieved over **29 consecutive years of comparable store sales growth and record** revenue and operating income since becoming a public company in April 1993. In July 2008, O'Reilly completed the **largest acquisition** in its history with the purchase of CSK Auto, **adding 1,273 stores in 12 states** making it the third-largest auto parts chain in the country. They have maintained an investment-grade credit rating with Standard & Poor's of BBB since **May 2018.**



IN THE NEWS

O'REILLY AUTO PARTS HOUSTON, TX

O'Reilly Reports Record 2021 Results

NIKOLAOS SISMANIS, MARCH 21, 2021 (SEEKING ALPHA)

While this year's results are likely to be stagnated due to the boosted results last year, store count will once again grow, positioning the company for higher sales moving forward.

In January, we published an article on O'Reilly Automotive (ORLY), praising the company's thoughtful capital return policy, which has **helped deliver massive shareholder value** in a prudent and strategic manner. O'Reilly's stock repurchase strategy **remains consistent**, thoughtful, and very rewarding. It should deliver stable returns, boosting EPS towards double-digit **growth in the medium-term**. Looking for a helping hand in the market? Members of Wheel of Fortune get exclusive ideas and guidance to navigate any climate.

Full-year 2021 sales increased 15% to \$13.33 billion, while same-store sales for the year jumped 13.3%.

The stock has hovered mostly flat over the past two months, though O'Reilly posted a great Q4, achieving its **highest annual revenues to date**. At the same time, the company strengthened its position further towards providing **increasing capital returns** moving forward.

No matter the conditions of the underlying economy, ORLY has been expanding its presence non-stop, growing its locations every single year. Even in 2020, a year that, if not worse, slowed down retail businesses, ORLY grew its **store count by 2.8% to 5616** locations.

During the past year, the company benefited from the pandemic, which reduced transportation volumes and, consequently, interest in purchasing new vehicles. Hence, consumers, especially those financially hurt by COVID-19, would rather fix their old car, **sustaining great sales volumes in ORLY's locations**.

EXPLORE ARTICLE



O'Reilly Automotive targets \$15B in sales by 2027

GEOFF PICKLE, DECEMBER 15, 2020 (SBJ)

Tamara Conn, the auto parts retailer's deputy general counsel and vice president of legal services, discussed the new sales benchmark this morning during Springfield Business Journal's 12 People You Need to Know live interview series.

Conn said it was "really exciting" when the company in 2019 cleared **\$10 billion in annual sales** for the first time in its more **than 60-year history**. The goal also was hit a year earlier than expected. "Most of the **revenue goals** that we have had in the company, we've been fortunate that we've been able to meet them - often early," she said.

After last year hitting a \$10 billion revenue goal earlier than expected, O'Reilly Automotive Inc. (Nasdaq: ORLY) has a new target of \$15 billion by 2027, according to a company official.

Conn's role in the **revenue growth process** has been felt, in part, with her legal guidance over mergers and acquisitions in recent years. She said the legal services department of **10 attorneys** works to make sure local laws are being followed when setting up in new territories, for instance. Conn said O'Reilly Automotive's entrance into Mexico – through the purchase of Mayasa last year – was especially challenging, given the difference in labor laws between the two countries.

"We've done a **number of acquisitions** since I've been at O'Reilly," she said. "Over time, I've become more and more involved in those."

In earnings reports this year, O'Reilly Automotive officials have set a full-year revenue range of **\$10.7 billion-\$11 billion**. Through the third quarter ended Sept. 30, the company posted \$8.8 billion in sales, **up 14% from \$7.7 billion** during the same period of 2019, according to its latest earnings report.

EXPLORE ARTICLE



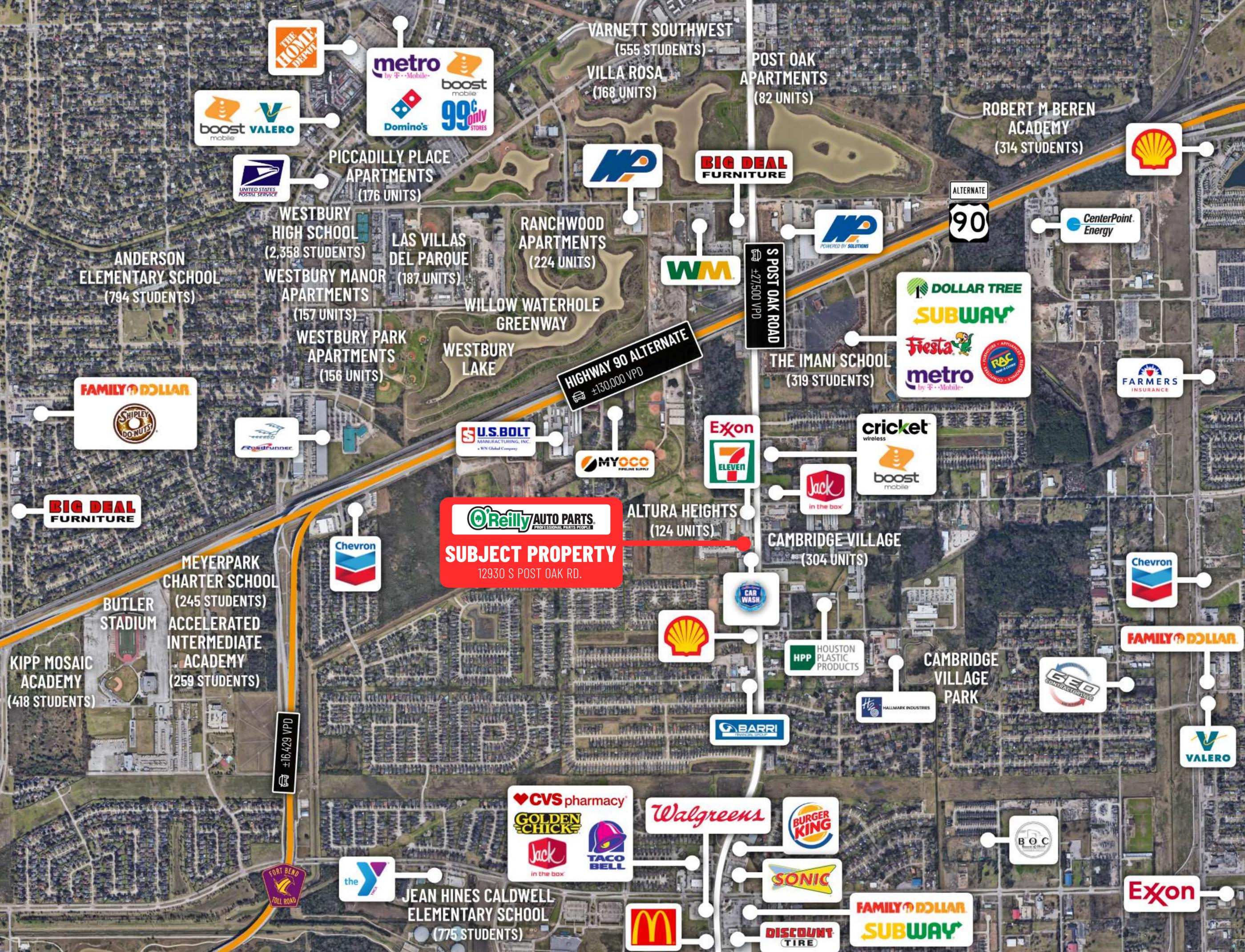
LEASE OVERVIEW

O'REILLY AUTO PARTS HOUSTON, TX

Initial Lease Term	15-Years, Plus (5), 5-Year Options to Renew
Rent Commencement	June 2022
Lease Expiration	July 2037
Lease Type	Corporate Net Lease
Rent Increases	6% in Year 11 and In All Renewal Options
Annual Rent YRS 1-10	\$143,400
Annual Rent YRS 11-15	\$152,004
Option 1	\$161,125
Option 2	\$170,792
Option 3	\$181,040
Option 4	\$191,902
Option 5	\$203,416

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.





VARNETT SOUTHWEST (555 STUDENTS)
VILLA ROSA (168 UNITS)

POST OAK APARTMENTS (82 UNITS)

ROBERT M BEREN ACADEMY (314 STUDENTS)

PICCADILLY PLACE APARTMENTS (176 UNITS)

BIG DEAL FURNITURE

WESTBURY HIGH SCHOOL (2,358 STUDENTS)

LAS VILLAS DEL PARQUE (187 UNITS)

RANCHWOOD APARTMENTS (224 UNITS)

ALTERNATE 90

ANDERSON ELEMENTARY SCHOOL (794 STUDENTS)

WESTBURY MANOR APARTMENTS (157 UNITS)

WILLOW WATERHOLE GREENWAY

WESTBURY PARK APARTMENTS (156 UNITS)

WESTBURY LAKE

THE IMANI SCHOOL (319 STUDENTS)

DOLLAR TREE
SUBWAY
Fiesta
metro

HIGHWAY 90 ALTERNATE ±130,000 VPD

S POST OAK ROAD ±27,500 VPD

FAMILY DOLLAR
SHIPLEY DONUTS

ROADRUNNER

U.S. BOLT MANUFACTURING, INC.

MYOCO

Exxon
7 ELEVEN

cricket wireless
boost mobile

Jack in the box

BIG DEAL FURNITURE

O'Reilly AUTO PARTS
SUBJECT PROPERTY
12930 S POST OAK RD.

ALTURA HEIGHTS (124 UNITS)

CAMBRIDGE VILLAGE (304 UNITS)

MEYERPARK CHARTER SCHOOL (245 STUDENTS)

Chevron

BUTLER STADIUM

ACCELERATED INTERMEDIATE ACADEMY (259 STUDENTS)

KIPP MOSAIC ACADEMY (418 STUDENTS)

SHELL

CAR WASH

HPP HOUSTON PLASTIC PRODUCTS

CAMBRIDGE VILLAGE PARK

GEO CONTRACTORS

FAMILY DOLLAR

±16,429 VPD

the Y

JEAN HINES CALDWELL ELEMENTARY SCHOOL (775 STUDENTS)

CVS pharmacy
GOLDEN CHICK
Jack in the box
TACO BELL

Walgreens

BURGER KING

SONIC

BOC

McDonald's

DISCOUNT TIRE

FAMILY DOLLAR
SUBWAY

Exxon

FORT BEND COUNTY ROAD

SITE OVERVIEW

O'REILLY AUTO PARTS HOUSTON, TX

	Year Built		2022
	Building Area		±7,396 SF
	Land Area		±0.84 AC



NEIGHBORING RETAILERS

- Family Dollar
- CVS
- Dollar Tree
- The Home Depot
- Walgreens
- Taco Bell
- Jack in the Box
- Burger King
- Subway
- Fiesta



File Photo

LOCATION OVERVIEW

O'REILLY AUTO PARTS HOUSTON, TX



ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

1. Walmart (37,000)
2. Memorial Hermann Health System (24,108)
3. H-E-B (23,732)
4. The University of Texas MD Anderson Cancer Center (21,086)
5. McDonald's Corp (20,918)
6. Houston Methodist (20,000)
7. Kroger (16,000)
8. United Airlines (14,941)
9. Schlumberger (12,069)
10. Shell Oil Co. (11,507)
11. Exxon Mobil Corp. (11,000)
12. Texas Children's Hospital (10,992)
13. HCA (10,830)
14. Landry's (10,800)
15. UTMB Health (9,928)

LOCATION OVERVIEW

O'REILLY AUTO PARTS HOUSTON, TX

Houston

Texas

 **2.33 MM**
Population

 **\$51,203**
Median Household Income



Houston is home to the Texas Medical Center—the largest medical center in the world

HOME

Galveston Bay and the Buffalo Bayou together form one of the most important shipping hubs in the world

HUBS

The Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (MSA), colloquially known as Greater Houston, is the 5th largest in the United States with a population of 7,154,478 as of 2020.

From 2000 to 2030, the metropolitan area is projected by Woods & Poole Economics to rank 5th in the nation in population growth—adding 2.66 million people.

Houston is 2nd to New York City in Fortune 500 headquarters.

In 2006, Greater Houston ranked 1st in Texas and 3rd in the U.S. within the category of "Best Places for Business and Careers" by Forbes.

The Greater Houston Gross Metropolitan Product (GMP) in 2005 was \$308.7 billion, up 5.4 percent from 2004 in constant dollars. By 2016, the GMP rose to \$491 billion, 6th in the nation. Only 26 nations other than the United States have a GDP exceeding the Greater Houston GMP. Mining, which in Houston is almost entirely oil and gas exploration and production, accounts for 11 percent of Greater Houston's GMP. The area is one of the leading centers of the energy industry, particularly petroleum processing, and many companies have large operations in this region. The MSA comprises the largest petrochemical manufacturing area in the world, including for synthetic rubber, insecticides, and fertilizers. Much of metro area's success as a petrochemical complex is enabled by the Houston Ship Channel. The area is also the world's leading center for building oilfield equipment, and is a major center of biomedical research, aeronautics, and high-technology. Houston is home to several universities (including Rice University, Texas Southern University, and The University of Houston), and two of the largest systems of higher learning in the United States (The Houston and Lone Star Community College systems). The University of Houston's annual impact on the Houston-area's economy alone equates to that of a major corporation: \$1.1 billion in new funds attracted annually to the Houston area, \$3.13 billion in total economic benefit, and 24,000 local jobs generated. CNN/Money and Money Magazine have recognized 5 cities in the Greater Houston area the past 3-years as part of its 100 Best Places to Live in the United States.

IN THE NEWS

O'REILLY AUTO PARTS HOUSTON, TX

Houston Sportsplex, home to softball leagues for nearly 50 years, to close

MATT YOUNG, DECEMBER 21, 2021 (CHRON)

Houston Sportsplex, which was known as the Softball Country Club when it opened in the 1970s, is closing after 47 years.

The sprawling **40-acre complex** — which hosts softball leagues as well as flag football, beach volleyball and soccer and is located on South Main about **six miles southwest** of NRG Stadium — will have its final games Thursday night. Although the complex opened itself up to a **variety of sports**, it will be remembered as the spot everyone on the south side of town **gathered** for their softball leagues.

Horvitz and Hecht sold the sprawling 40-acre complex to an undisclosed buyer for future development.

Barry Horvitz and business partner Ronny Hecht bought the **property in 2001** and changed the name from Softball Country Club to Houston Sportsplex as it added beach volleyball courts and **multi-use fields** for other sports.

“The popularity of softball peaked in the early '90s and unfortunately, it has slowly declined ever since,” Horvitz said. “Many of those who contributed to softball’s **popularity have simply aged** out of the game. Plus, companies don’t field the number of teams like they used to.” “It’s a bittersweet announcement, this place is like a **second home** to me,” Horvitz said. “So many memories and lifelong friendships have been forged here. In fact, there are several married couples who first met while playing at our complex.”

EXPLORE ARTICLE



Texas recognized as second best state for business, while Houston expected to see key economic growth

JOHN EGAN, DECEMBER 30, 2019 (INNOVATION MAP)

Houston and the rest of Texas received two early Christmas presents signaling that their economies continue to percolate.

In a report released December 23, **economic** forecasting and analysis firm Oxford Economics predicted Houston and Dallas-Fort Worth will enjoy a **greater share** of **economic growth** through **2023** than any other mega-metro area in the U.S. except San Francisco.

In a recent forecast, the Greater Houston Partnership envisions the Houston area adding 42,300 jobs in 2020, mostly outside the energy sector.

Meanwhile, Forbes magazine declared on December 19 that Texas is the **second-best state for business**, behind only North Carolina. Texas previously sat in **the No. 3 spot** on the Forbes list, preceded by North Carolina and Utah.

Through **2023**, Oxford Economics forecasts average compound **GDP growth of 2.4 percent** in Houston and Dallas-Fort Worth. Among the country’s **10 biggest** metro areas, only the projection for San Francisco is **higher (2.7 percent)**.

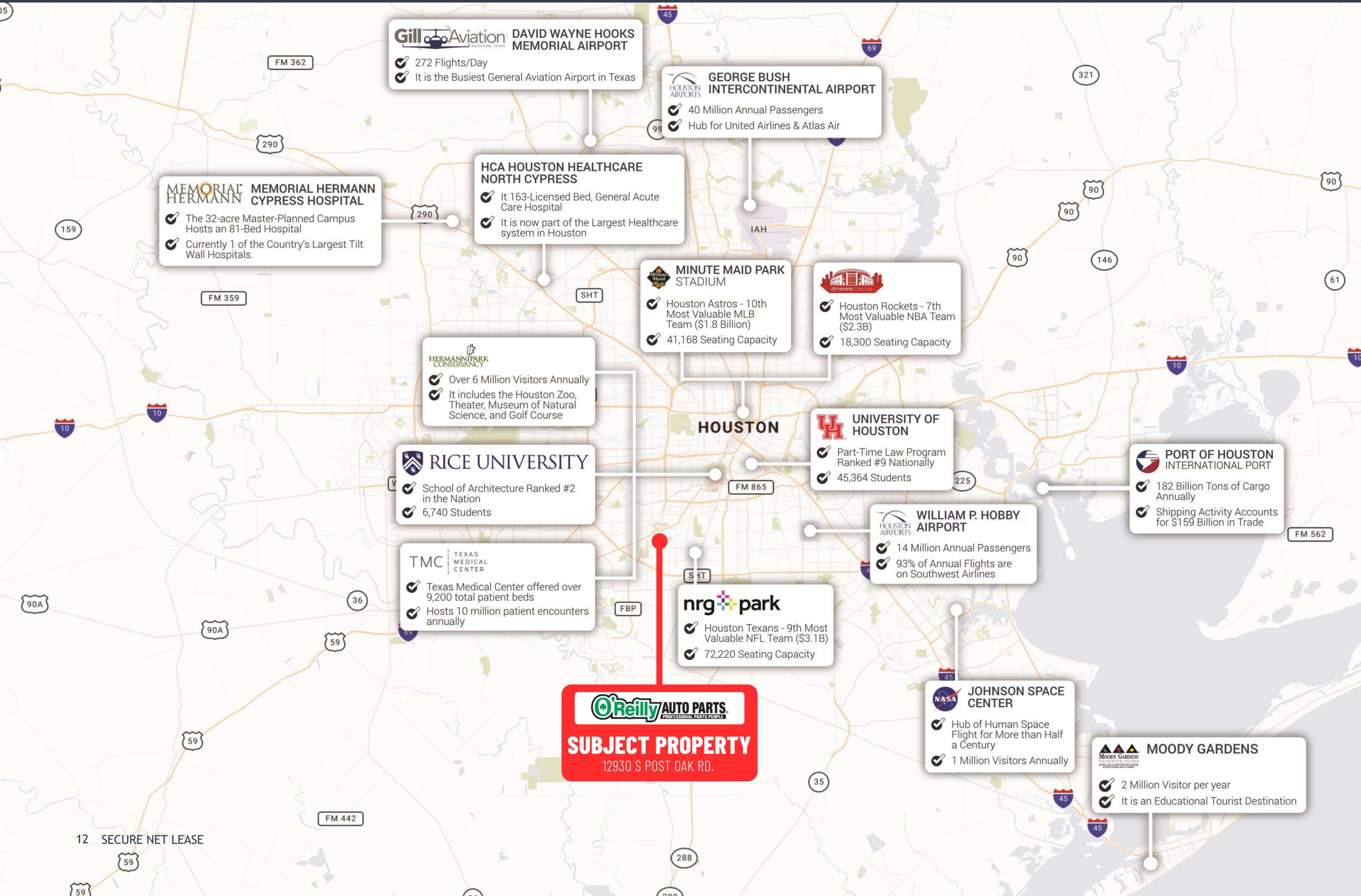
For Houston, the **2.4** percent figure would be an improvement over recent economic performance. From 2014 to 2018, the region’s GDP growth rate was **1** percent, while it was **1.5** percent for 2015-19. In the 2020-21 timeframe, the growth rate for Houston is expected to be **1.9** percent.

EXPLORE ARTICLE



HOUSTON-THE WOODLANDS-SUGAR LAND MSA

O'REILLY AUTO PARTS HOUSTON, TX



O'Reilly AUTO PARTS
PROFESSIONAL PARTS PEOPLE

SUBJECT PROPERTY
12930 S POST OAK RD.

12 SECURE NET LEASE

CALL FOR ADDITIONAL INFORMATION

Dallas

Office

10000 N Central Expressway
Suite 200
Dallas, TX 75231
(214) 522-7200

Los Angeles

Office

123 Nevada Street
El Segundo, CA 90245
(424) 224-6430

CALL FOR ADDITIONAL INFORMATION

Edward Benton

Executive Vice President
(713) 263-3981

ebenton@securenetlease.com

TEXAS DISCLAIMER

O'REILLY AUTO PARTS HOUSTON, TX

Approved by the Texas Real Estate Commission for Voluntary Use

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

Information about brokerage services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties' consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

If the broker represents the owner

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written – listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information the owner knows.

If the broker represents the buyer

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

If the broker acts as an intermediary

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- Shall treat all parties honestly
- May not disclose that the owner will accept a price less than the asking price
- Submitted in a written offer unless authorized in writing to do so by the owner;
- May not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- May not disclose any confidential information or any information that a part specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions.